From: <u>Eileen Delaney</u>

To: <u>LUEG, PDS.PlanningCommission</u>

Cc: Vargas, Nora (BOS); Fletcher, Nathan (BOS); Lawson-Remer, Terra; Anderson, Joel; Desmond, Jim; Gretler,

Darren M; Easland, Camila; Larson, Ben

Subject: [External] INCLUSIONARY HOUSING ORDINANCE

Date: Wednesday, March 22, 2023 2:17:19 PM

**Attachments:** <u>inclusionary housing.doc</u>

# FALLBROOK COMMUNITY PLANNING GROUP P. O. Box 1419 Fallbrook, CA 92088

March 21, 2023

Honorable Commissioners
San Diego County Planning Commission

Honorable Supervisors
San Diego County Board of Supervisors

Dear Supervisors and Commissioners:

The Fallbrook Community Planning Group at its March 20<sup>th</sup> meeting had extensive public discussions regarding the proposed Inclusionary Housing Ordinance. Members of the public as well as Planning Group Members shared concerns regarding the proposed ordinance as it would apply to Fallbrook and other unincorporated areas.

Following this extensive review and analysis of the proposed ordinance, a motion was made, seconded and carried unanimously, to recommend to the Planning Commission and the Board of Supervisors that the Inclusionary Housing Ordinance NOT be adopted.

It is the consensus of the Planning Group that although the Inclusionary Housing Ordinance may be a workable plan in a high density urban environment, it is totally unsuitable for rural Fallbrook and most likely other areas in Unincorporated San Diego County as well.

Many factors played into this conclusion, including, but not limited to the extensive high risk fire areas and resulting difficulties and expense of providing insurance, (if available); difficult building terrain; inadequacy of public transportation and misconceptions on the various maps used by the County to form their conclusions.

While the County did attempt to obtain public input regarding the proposed ordinance, the dismal attendance at the two sessions (40 participants at the June 28 session and 25

participants at the March 1 session) hardly provides the County with meaningful input upon which to base any decisions.

It was also noted that the public hearings only sought input on how to modify the proposed Ordinance and there was no attempt made to establish the threshold question of whether the ordinance should be adopted or not.

We hope that our recommendation is seen as realistic for Fallbrook and accepted by the Planning Commission and the Board of Supervisors.

Yours truly,

Eileen Delaney
Eileen Delaney, Chair
Fallbrook Community Planning Group
Eileen.fallbrook@gmail.com

Steve Brown Fallbrook Community Planning Group Land Use subcommittee Chair



#### March 23, 2023

Dear County of San Diego Planning Commission,

Thank you for allowing the public the opportunity to comment on the proposed Inclusionary Housing Ordinance. On behalf of the Building Industry of San Diego County, we are providing additional comments on this proposed Ordinance and requesting the following: 1) The County adhere to the Statute of the California Environmental Quality Act (CEQA) and complete a full Environmental Impact Report for this project; and 2) The economic analysis be revised to include relevant and valid data that does not skew the results of the study to the political preference of decisionmakers. Specifically, our questions and requests are detailed below:

1. Question: Where is the substantial evidence to support the determination that this project is applicable to CEQA Guidelines Section 15164?

**Request**: Provide the public and decisionmakers with an Environmental Impact Report for this Ordinance, per the requirements of Section 15162. This is required so that the full direct, indirect and cumulative impacts of this Ordinance can be fully analyzed and disclosed to the public and decision makers. There have been substantial changes in the circumstances under which the project will be undertaken that require major revisions to the previous EIR due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects.

Rational for Request: CEQA Guidelines Section 15164 state an addendum is only allowable if none of the conditions identified in Section 15162 have occurred. Per Section 15162(3), a subsequent EIR is required if "new information of substantial importance", which was not known and could not have been known at the time of the previous EIR shows new significant effects or more severe environmental effects. Since certification of the Program Environmental Impact Report for the County of San Diego General Plan Update (GPU EIR; Environmental Review Number 02-ZA-001; Sch. 2002111067), the following new information of substantial importance has presented itself and the County must conduct a proper environmental review of this project:

- A. <u>Addendum Section XI. Land Use and Planning</u>: The GPU EIR provides an analysis related to conflicts with land use plans, policies and regulations from a baseline established in 2008. Since this time, a significant number of the land use plans included in the GPU EIR analysis have been updated, including providing new information of substantial importance related to evaluating the environmental impacts of this project. Specifically:
  - a. SANDAG's Regional Comprehensive Plan and Regional Transportation Plan: The growth projections identified on page 2.9-30 and Table 2.9-2 of the GPU EIR are outdated and no longer valid. SANDAG has made new data publicly available, which is of substantial

importance to the analysis of direct, indirect and cumulative impacts from the proposed Inclusionary Housing Ordinance.

- B. Addendum Section XIV. Population and Housing: The GPU EIR provides an analysis related to population growth and displacement of populations from a baseline established in 2008. Since this time, a substantial amount of new data has been released by SANDAG, providing new information of substantial importance related to evaluating the environmental impacts of this project, and making this section of the EIR no longer valid in relation to the Inclusionary Housing Ordinance. Specifically:
  - a. GPU EIR Section 2.12.3.1 states the project is consistent with forecasted growth for the unincorporated County. This analysis is no longer valid, as SANDAG has published new growth forecasts. A full analysis of how the revised Ordinance will not directly, indirectly or cumulatively conflict with forecasted growth in the unincorporated County should be provided.
  - b. GPU Section 2.12.3.2 states that a significant impact would occur if replacement housing would be required elsewhere outside of the unincorporated County. The proposed Inclusionary Housing Ordinance, coupled with the County's additional land use planning efforts (Climate Action Plan, Decarbonization Plan, VMT and Sustainable Land Use Framework) is creating a trend where replacement housing for unincorporated residents is being provided outside of the unincorporated County. Additionally, the population models, available vacant land analysis and Building Permit Trends Analysis in this section of the GPU EIR are no longer valid, with new and relevant data being released by each of these data sources that is of substantial importance to this project. Implementing an Ordinance that promotes specific development within certain areas of the County while discouraging other types of housing in other regions of the County, has the potential to result in the displacement of housing.
  - c. GPU EIR Section 2.12.3.3, Displacement of People, states that "increases in residential density in other areas of the unincorporated County would sufficiently offset displaced housing and people so that replacement housing elsewhere would not be necessary". As stated in the Economic Analysis, the "unincorporated San Diego County is in a housing crisis". The existing housing crisis did not exist during the 2008 GPU EIR baseline and this crisis is "new information of substantial importance" that was not known and could not have been known at the time of the previous EIR and shows new significant effects or more severe environmental effects. A new analysis of this CEQA issue should be provided.
- C. <u>Cumulative Impacts:</u> New information of substantial importance exists that must be analyzed in this environmental document for this project. Specifically, a cumulative analysis of the County's proposed land use planning efforts must be provided to ensure that this Ordinance, in combination with the other proposed Ordinances, is not resulting in a significant cumulative impact related to land use and population and housing. Recently issued CEQA caselaw requires the County consider the cumulative impacts of their multiple land use planning efforts currently underway that are related to the positions of residential housing.

## 2. Question: Why is the County funding economic studies that exclude the realities of the current market?

**Request:** Update the entire economic analysis report to address the data gaps identified in Section 1.4, Analytical Considerations. County decisionmakers must be provided with a relevant economic analysis of impacts related to implementing the Inclusionary Housing Ordinance.

**Rational for Request:** Section 1.4, Analytical Considerations, of the Inclusionary Housing Study for the County of San Diego, states the report is based on data that is not applicable to today's baseline market conditions. Specifically, the study excludes an analysis of 1) VMT and 2) Inflation. The report clearly states that including this analysis would have a "meaningful impact" on the results of the study.

The County must revise this report to address VMT and inflation. SB 743 took action in 2020, and this economic report (dated 2023) must include an analysis evaluating the impact of this law. Although the County's specific VMT Ordinance is still being processed, the State law is valid, and the County CEQA document is out for public review. Failing to analyze this VMT regulation makes the conclusions in this report false. Similarly, the report uses cost assumptions from the 2020-2021 period and ignores the realities of the current market related to inflation. Data from the 2020-2021 period captures the heart of the COVID-19 pandemic and is skewed from the realities of today's market conditions. *The economic analysis also states that implementing the Inclusionary Housing Ordinance would result in a 30 percent reduction in land value in the unincorporated County*, without affecting the landowner's interest to sell. This statement does not reflect the current market conditions due to inflation and the housing crisis and should be supported by local data that reflect current San Diego conditions. The County of San Diego should not utilize an economic analysis that does not reflect the current market value and is instead tied to a period of time that is widely considered as an anomaly to society as a whole. The report must be updated to provide an economic analysis that considered current and relevant.

As currently proposed, the Inclusionary Ordinance will decrease the production of all housing in the unincorporated County of San Diego, including affordable, middle-income, workforce and attainable housing. The Ordinance does not offer any incentives or benefits to encourage projects to produce affordable housing. We appreciate the opportunity to comment on this County proposal and we look forward to the public being provided with sufficient information to adequately determine if this project should move forward.

Best,

Hannah Gbeh

Vice President of Government Affairs, Building Industry Association of San Diego

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From: <u>Madison Coleman</u>

**To:** <u>LUEG, PDS.PlanningCommission</u>

**Subject:** [External] CAC: County Inclusionary Housing Ordinance Comments

**Date:** Friday, March 24, 2023 9:08:55 AM

Hello,

This is Madison Coleman, Policy Advocate with <u>Climate Action Campaign</u> (CAC). Please see our County Inclusionary Housing Ordinance comments for the Planning Commissions records.

If you could confirm that you've received these comments, that would be great. Please let me know if you have any questions.

### **Comments:**

Dear County Planning Commissioners,

Rising rents and home prices continue to push low- and middle-income households farther from major urban centers—where the greatest number of jobs and the most robust public transit tends to be. To solve our climate and housing crises concurrently, the County must disinvest in sprawl development and slash GHG emissions from the transportation sector by prioritizing the development of dense, affordable housing in VMT-efficient areas and near jobs, transit, and other daily essential services.

We urge the County to enact a well designed ordinance that prioritizes on-site, deed restricted, mixed income housing developments. Therefore, we support the set aside options that include a fair share of very low, low, and moderate AMI requirements for all new development with 5 or more units.

However, we oppose the offsite development and land dedication alternative compliance options. To create economically diverse and inclusive communities, dedicated affordable housing units must be on the same project site as market-rate units. Providing an option for affordable housing development to be off site could result in segregation and the concentration of poverty, which doesn't comply with the County's obligation to affirmatively further fair housing.

We also recommend that alternative compliances only apply to the General Plan Compliant

Projects and that General Plan Amendment Projects be required to provide the ordinance's requisite affordable housing units.

We urge County staff to consider these recommendations and use this ordinance as a strategy to help mitigate the climate and housing crises and provide much needed affordable housing in the unincorporated area.

Thank you for the opportunity to weigh in on this important initiative.

### Madison Coleman (she/her)

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